

Analysis of Proposal for Transportation Credits

March 21, 2013 Workshop
In Preparation for the April 4, 2013 Hearing

Methodology

The impact of the alternative proposal for the transportation credit system for the designated supply county of Los Angeles County to the designated deficit counties of Orange, Riverside, San Bernardino, San Diego, or Ventura was analyzed using data from January through December 2012. The data was based on actual pounds of product using transportation credits.

The monetary impacts were generated by assuming the current, September 2008; credit rates were in effect for the entire analysis period. The proposed change to these rates included only a change in the transportation credit rate for the designated supply county of Los Angeles.

This methodology assumes historic patterns of milk movement would have remained unchanged under the new proposals.

Results

Average Monthly Transportation Credits under Current System and Proposed

January 2012 - December 2012

	Total (\$/month)	Change (\$/month)	(%)
Current	\$131,035.03		
CDI	\$157,242.04	\$26,207.00	20.0%